GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:5304
ANSWERED ON:29.04.2005
INVESTMENT IN POWER SECTOR
Badi Shri Rajendra Kumar;Pallani Shamy Shri K.C .;Verma Shri Ravi Prakash

Will the Minister of POWER be pleased to state:

(a) whether the Union Government has asked the NTPC to invest in the transmission sector;

(b) if so, the details thereof and the reasons therefor;

(c) whether the Union Government has decided to offer 90% Capital subsidy for rural power distribution system; and

(d) if so, the details thereof?

Answer

THE MINISTER OF POWER(SHRI P.M. SAYEED)

(a) & (b) : As a part of its Business Strategy, National Thermal Power Corporation (NTPC) is exploring various diversification options including setting up of high voltage transmission lines at appropriate time.

(c) & (d) : A new scheme `Rajiv Gandhi Grameen Vidyutikaran Yojana` for Rural Electricity Infrastructure and Household Electrification has been launched for the attainment of the National Common Minimum Programme of completing Rural Household Electrification in five years. Under this scheme 90% Capital Subsidy would be provided for:

(i) Creation of Rural Electricity Distribution Backbone (REDB) with one 33/11 kV (or 66/11 kV) substation in every block appropriately linked to the State Transmission System.

(ii) Creation of Village Electricity Infrastructure (VEI) for electrification of all un- electrified villages/habitations with distribution transformer(s) in every village/habitation.

(iii) Decentralized Distributed Generation (DDG) and Supply System for Villages/Habitations where grid supply is not cost effective and where Ministry of Non-Conventional Energy Sources would not be providing electricity through their programme(s).

(iv) Electrification of all un-electrified Below Poverty Line (BPL) households in the country free of charge.